

*Building File*  
FEB 4 1957

MEMORANDUM FOR: Deputy Director, Support

SUBJECT : Planning for the Proposed New Headquarters Building

REFERENCE : Paper dated 28 January 1957 on this subject

1. This is in regard to the paper which you gave to the Director and which was discussed at the Deputies Meeting on 28 January. It is regrettable that this paper was not considered by the Building Steering Committee prior to presentation to the Director, inasmuch as it is my understanding that the Steering Committee was established to obtain views on such major problems. Further, it would have been more useful had the Steering Committee been able to debate this matter before the Director was approached for a decision. Inasmuch as at some future date there may be inquiry into how certain decisions affecting the building were reached, I wish to go on record concerning certain matters in this paper.

7 | 2. First, the intent of Congress is well expressed in the conference report on the appropriations bill. I do not believe that it could be made more abundantly clear that the CIA building is intended to accommodate "all of its headquarters personnel." Further, I would construe the balance of this statement as precluding any return to Congress after construction has started to secure money for another wing or an additional building. In addition, one of our major selling points in securing the authorization and appropriation for the building was that it would save \$3,200,000 per annum. We already plan to reduce these savings by 50 per cent by leaving out certain elements. With the increase in cost of the building, and the necessity for leaving out even more elements if we stay at our present size or grow, it is obvious that these savings will be reduced further, even totally disappear. This, to my mind, makes it even more essential that we approach both the President and the Congress and explain to them exactly what must be done to house all of our headquarters personnel. Reasonable individuals are not going to blame CIA for increases in building costs. Furthermore, I believe this agency can be severely criticized for compromising with present day circumstances to erect a building that will be unsatisfactory in the future. Not to face this issue today simply exposes the agency to severe attack when the realization dawns on the Congress and Washington that we built a building that couldn't house our headquarters personnel.

3. It is perfectly true as stated in this memorandum that to reraise this subject might expose us to the dangers of not getting the building at all at this time. However, assuming that this building is our permanent

25 YEAR RE-REVIEW

ILLEGIB

headquarters that will exist for decades, I do not feel that we should neglect any step that we can take in order to make the facts known to the White House and the Congress before we commence construction. In fact, I would go further and say that I consider it mandatory that whether we ask for more money or not, we advise the White House, the Bureau of the Budget and the Congress as to exactly how many persons in Washington will not be accommodated in the new headquarters building.

4. Finally, I consider the quoted missives on the subject of keeping down capital expenditures not to be applicable in this regard. First, this building is to be a part of the permanent Washington landscape. Second, the savings inherent in its construction mean its amortization in 20 years. Third, the administration's desire to cut down on capital expenditures is related specifically to the present day economic situation, and by the time our contracts commence to affect either the money or materials market in 1958, the present economic situation may be drastically changed.

STAT

5. I therefore most strongly recommend that whether our approaches to the White House, Bureau of the Budget and the Congress are in the nature of requesting \$14,000,000 additionally or of advising them that we will have to leave [redacted] people out of the building, we must so advise and face the possibility of being ordered to reduce headquarters by that number, or delaying construction.

/s/ Lyman Kirkpatrick

Lyman B. Kirkpatrick  
Inspector General

Distribution:

- 2 - Addressee
- 1 - I.G. Subject File
- 1 - I.G. Chrono